APPENDIX D.

Explanatory Memorandum by the Financial Secretary from the Budget of the Government of Mysore 1929-30.

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ANNEXURE (i)

Statement of additional and supplementary grants on account of Revenue Expenditure during 1928-29.

Major Head	Amount	Remarks
	Rs.	
1 Land Revenue ...	1,600	The work of the Bangalore Taluk has become very heavy and it is necessary to bifurcate it. The Bangalore City with the Kasaba and Yesvantapur Hoblies is taken away from the Taluk Amildar and placed under a separate Amildar temporarily for a period of two years with effect from 1st October 1928. The extra cost involved is Rs. 4,800 per annum, half of which will be met from the allotment for the introduction of Record of Rights. An additional grant of Rs. 1,600 is necessary to cover the expenditure chargeable to Land Revenue Department during the current year 1,600.
2. Forest ...	1,00,000	Pending the installation of the timber creosoting plant recently purchased and receipt of Departmental proposals, no provision was made in the budget for operation expenses. The grant of a sum of Rs. 1 lakh has been found to be necessary to start work. This expenditure is expected to be covered by the receipts from the sale of treated sleepers and balagi poles. 1,00,000
2. General Administration.	83,045	Owing to the purchase of a large number of jewels and public service medals for Durbar presents than anticipated at budget time, the provision of Rs. 4,600 is found to be insufficient and a supplementary grant of Rs. 10,560 is necessary. For expenses connected with the Bangalore Disturbances Enquiry Committee .. 30,000 Tour charges of H. H. .. 40,000 Establishment charges under Private Secretary's Office ... 677 Cost of album presented to H. E. the Viceroy ... ... 1,008 His Highness' contribution to the Chamber of Princes ... 800 (Non-Voted) Total 83,045

ANNEXURE (i)—contd.

Major Head	Amount	Remarks
	Rs.	
13. Muzrai Intitutions.	1,000	For payment of arrears of Malnad cash grants ... .
17. Miscellaneous ...	25,460	For writing off the irrecoverable book debts of the Aryan Hosiery Factory, Bangalore, relating to the period it was under Government management ... 2,960
		For affording relief to the sufferers in the accidental fire at Issur in Shikarpur Taluk. The grant sanctioned in the 1928 March Session of the Legislative Council was not utilised before the close of the year and lapsed .. 2,000
		For awarding compensation to owners of lands acquired in the T.-Narsipur Taluk for village extensions consequent on the floods of 1924 ... 19,000
		For meeting the arrear and current water and lighting charges on account of the Guest House at Oorgaum. The provision of Rs. 5,000 in the budget has been exhausted ... 1,500
18. Courts of Law ...	14,173	For meeting the pay of Additonal District Magistrate, Bangalore, and that of his establishment and contingent expenses including the purchase of a type-writer. 6,000
		For meeting the pay of the temporary Fourth Judge of the Chief Court and that of his establishment for the extended period of three months 4,938
		The following additional demands have arisen during the year and funds are required to meet them :—
		Purchase of four iron safes for the newly established Munsiff's Courts at Mandya and Hunsur ... 800
		Installation of electric lights to the Court of the Special First Class Magistrate, Kolar Gold Fields ... 610
		Itineration expenses of the Second Class Magistrate at Madhugiri for visits to Pavagada .. 660
	...	Supply of a type-writer and an iron safe for the use of the Small Cause Court at Bangalore ... 550
		For the entertainment of peons for the Bench Magistrates' Courts at Krishnarajpet and Nagamangala ... 240

ANNEXURE (i)—contd.

Major Head	Amount	Remarks
	Rs.	For purchase of a typewriter for the use of the Court of the Additional Sub-Judge, Mysore ... 375
20. Police ...	16,563	As the charge of the Superintendent of Police, Bangalore District, including the City was found to be heavy, the City has been placed under a separate Superintendent. Provision is necessary for meeting his pay and allowance for nine months during the current year 5,400 Expenses for hiring buses and motors, etc., to patrol the City during the Bangalore Disturbances. .. 7,322 For meeting the pay and allowance of the Assistant Superintendet of Police on special duty in Bangalre City on Rs. 200 plus 75 per mensem for 4 months and 4 days from 28th August 1928 to 31st December 1928 and of two Police Inspectors ... 2,436 For hiring a motor car and a bus and for secret service charges in connection with the police arrangements at Mysore during the last Dasara ... 300 For meeting the drill allowance of Rs. 5 per mensem to the Drill Instructor, Bangalore City, from 1st June 1928 60 For additional police staff for the Irwin Canal Works 1,045
21 Medical ..	31,215	For meeting the pay of a European Matron sanctioned for the District Hospital, Chikmagalur ... 2,640
22 Sanitation and Vaccination		The scale of pay of medical graduates has been raised from Rs. 87-5-100 to Rs. 100 (fixed) and an additional grant is necessary to cover the extra cost during the current year .. 1,302 For meeting the cost of the additional trained nurses and ayas and other menial establishment in the Maternity Hospital, Bangalore. Part of the expenditure is expected to be covered by increased receipts under fees from special ward in-patients ... 1,840 As the result of a Leprosy Survey, certain villages of Mandya and Malavalli Taluks have been brought under the purview of

ANNEXURE (i)—contd.

Major Head	Amount	Remarks
	Rs.	the Leprosy Regulation; and to afford relief to the affected patients accommodation in the Leper Asylum has to be improved and the staff strengthened. Hence the need for additional grant 18,574.
		For meeting certain special contingent charges of the Vaccine Institute, such as the purchase of apparatus for manufacture of improved vaccine lymph, electric installation of the premises and purchase of a new metal calf table. The existing provision of Rs. 5,716 requires to be supplemented. 3,859
		For expenses connected with the installation of a Refrigerating Plant in the Public Health Institute. The existing provision of Rs. 1,400 is exhausted 3,000.
23A. Communications. (New Major head opened—*vide* G. O. No. Fl. 2578-667—G. F. 65-28-1, dated 29th September 1928 published in the Gazette of 4th October 1928—pages 365-366.)	3,74,301	For the better upkeep and repairs of all provincial roads in the State the constitution of a "Road Fund" has been sanctioned. Certain revenues such as toll receipts and fees from motor taxation have been ear-marked for the purpose. To work out continuously the estimates proposed by the Public Works Department it has been assured of a minimum annual grant of 11 lakhs.
24 Civil Works ...		The aggregate amount allowed in the Budget is Rs. 8,67,800. The balance to make up 11 lakhs, *i.e.*, Rs. 2,32,200 has to be additionally given. Part of this additional grant is expected to be met from the increased receipts under tolls and road cess on motor vehicles and the balance will be contributed from the Special Reserve 2,32,200
		For meeting the expenditure on improvements to the Exhibition buildings at Mysore, the budget grant of Rs. 20,000 has to be supplemented 12,500
		For the construction of a septic ward to the Civil Hospital at Robertsonpet in the K. G. F. 3,170
		For the construction of the Matron's quarters at the Maternity Hospital at Robertsonpet and for improving the existing Hospital. 3,186

ANNEXURE (i)—contd.

Major Head	Amount	Remarks
	Rs.	
		For the construction of Police buildings at the Irwin Canal Works ... 8,000
		The balance of loan due to Government from the late Mr. Dalvoi Devaraj Urs is Rs. 57,244-12-0. This is a very old loan. It has been decided to close the loan account by taking over in full settlement the two houses belonging to the family in Nanjangud. Hence the need for an additional grant to cover the adjustment 57,245
		Towards the expenditure expected to be incurred during the current year on a programme of construction of 12 quarters for Revenue Sub-Divisional Officers and of an equal number for Amildars, where suitable accommodation is not available. 50,000
		For the construction of an Operation Theatre for the Vani Vilas Hospital in Mysore. 8,000
26 Education	81,835	For improving water supply and putting up electric lights to the Old Sowar Line buildings where Sri Narasimharaja Hostel has been located ... 2,585
		For enhancing the provision for backward classes scholarships .. 50,000
		For the rapid construction of Educational buildings in villages which have contributed more than Rs. 300 ... 15,000
		For construction of an additional block consisting of one hall and four rooms to the existing Middle School building at Hebbal ... 1,500
		For the construction of buildings for the Primary Boys' and Girls' Schools at Chamarajnagar. The expenditure is covered by the sale proceeds of the present building ... 9,000
		For organising training camps in mofussil to train teachers of Middle and Primary Schools in Physical education ... 1,900
		For replacing the old oil engine at Channapatna Industrial School by the installation of two electric motors of 5 H. P. each . 1,000
		For the erection of the Workshop machinery already purchased and for the purchase of a 3 H.P. motor for working the machines .. 850

ANNEXURE (i)—contd.

Major Heads	Amount	Remarks
	Rs.	
(Schedule of demand to be placed at the June Session before L. C.)		
	75,000	An additional grant of Rs. 75,000 is proposed to be given to the University to meet its demands for construction and equipment of buildings in connection with the Intermediate College and transfer of Medical College to Mysore.
27 Agriculture ...	2,49,906	Renewal of lapsed grant for purchase of a tractor from Col. Skipwith .. 2,750 For meeting the deficiency in the contribution papable by Government to the Coffee Cess Experimental Station Fund. .. 2,000 At the time of framing the Budget the detailed requirements of the Gardens Department were not available. A sum of Rs. 36,620 is necessary for the following urgent demands :— Travelling allowance and contingencies under Direction and Superintendence. Cooly labour, garden improvement, repairs to roads, etc., under Botanical Gardens ... 7,966 Maintenance of additional new minor gardens transferred to the Gardens Department ... 3,400 Water and Lighting charges under Parks and Gardens ... 8,100 Maintenance of New Mansion grounds and roads ... 3,280 Maintenance of Krishnarajasagara Gardens 1,500 Improvement of the Gardens and contingent and other expenditure connected with Horticultural School ... 10,000 Repairs and maintenance of Sangam Road at Seringapatam ... 550 Total ... 36,620 For manufacture of serum at the Serum Institute in addition to normal provision of Rs. 30,000 (to be met from the Special Reserve) 1,50,000 For purchase of vaccine and sera not manufacturable in the Serum Institute to be met from the Special Reserve. 30,000

ANNEXURE (i)—contd.

Major Head	Amount	Remarks
	Rs.	
		The need for trained Veterinary Officers is urgent. Sanction has been accorded to the grant of fresh scholarships to 6 students and the continuance of the same to old students. Hence the provision of Rs. 11,920 requires to be supplemented ... 5,260
		For the continuance of the temporary establishments (mobile corps) in connection with the Anti-Rinderpest Campaign for another year from 1st July 1928 as per details below— ... 7,480 Six Inspectors on Rs. 75 each Six Salustries on Rs. 20 ,, Six Peons on Rs. 10 ,, One Accountant on Rs. 50
		For meeting the extra cost involved by the revision of the Office establishment of the Superintendent, Civil Veterinary Department, for 8 months from 1st October 1928 ... 1,536
		For deputing Mr. V. M. Appadorai Mudaliar, Assistant Superintendent, to Turin in Italy to attend the International Silk Exhibition and to other foreign countries, *viz.*, Switzerland, Germany, France and Belgium, to obtain information pertaining to sericulture and to purchase small machinery and plant, etc. ... 4,200
		For meeting the pay of a Probationer in the Sericultural Department appointed to take up organised work in the selection and breeding of mulberry plant, etc., and also for T. A. and other charges incidental thereto ... 2,000
		For the continuance of the silk reeling classes at Closepet and Sidlaghatta for a further period of three months and for the opening of three such classes attached to new domestic basin outfits installed during the current year. 3,010
		For purchase and installation of ten domestic basins at the Government Silk Filature ... 3,000

ANNEXURE (i)—concld.

Major Head	Amount	Remarks
	Rs.	For recouping the amount already spent out of working capital of the filature on account of freight and clearing charges on filature spare parts ... 250 For extension of filature building at Mysore and the provision of necessary furniture and also for the erection of an electrically heated wooden stifling chamber at a cost of Rs. 300 ... 1,800
28 Industries ...	4,000	For supplementing the budget provision (Rs. 500) made for participation of the Industries and Commeree Department in the Dasara Exhibition ... 2,000 For participation in the All-India Industrial Exhibition to be held at Calcutta 2,000
30 Grants for Public Improvement.	48,500	For the Thippagondanahalli water-supply reservoir survey. This expenditure will be transferred to capital heads after the estimate is sanctioned and appropriation is made for construction 17,000 For meeting the Government contribution for the Tumkur Water Supply Scheme 31,500
XXV Krishnarajasagara Works.	50,700	For meeting the passage and other incidental charges of the deputation of Mr. M. A. Srinivasan, Financial Assistant to the Chief Electrical Engineer, to England for undergoing training in Public Administration, Accounts of Electrical Concerns, etc. ... 2,500 For writing off the value of unserviceable materials at Sivasamudram by debit to maintenance as ordered in Government Order No. E. D. S. 735, dated the 26th April 1928. An auction of these materials was held as required by Government and as the bids were very low far below even the scrap value of the materials, the materials were not sold. It is proposed to write off the full value of these materials, hold them in numerical account and credit the proceeds when sold to Revenue ... 32,000 For operation expenses in connection with Power Supply to Metur ... 16,200

ANNEXURE (ii).

ANNEX

Statement of Assets

In thousands of Rupees.

	On 1st July 1928 based on the actuals of 1927-28	On 1st July 1929 based on the Revised estimate of 1928-29	On 1st July 1930 based on the Budget estimate of 1929-30
ASSETS.			
I CASH AND INVESTMENTS—			
i. Cash balance	79,90	68,92	51,81
Temporary Deposits in Banks ..	32,23	33,05	20,05
ii. Investment Account—			
General Investment account ..	72,07	72,07	72,07
Loan Sinking Fund Investment account	1,48,47	1,53,59	1.53,59
Famine Insurance Fund Investment account	63,15	63,15	63,15
Depreciation Fund Investment account.	5,83	5,83	5,83
Total ii ..	2,89,52	2,94,64	2,94,64
iii. Advances { (a) Advances proper ..	55,38	65,26	69,75
iii. Advances { (b) Objection book advances.	2,79	2,73	2,65
iv. Loans	25,09	25,55	28,75
v. Railway Sterling Loan Sinking Fund Investment	1,24,65	1,24,65	1,24,65
Total I ..	6,09,56	6,14,80	5,92,30
II CAPITAL—			
(i) Mysore Railways	4,99,67	5,19,67	5,37,67
(ii) Krishnarajasagara Hydro-Electric and Irrigation Works	5,05,32	5,70,48	6,36,30
(iii) Industrial or Other Works ..	27,46	27,46	29,01
(iv) Iron Works	1,94,71	2,03,96	2,11,32
Total II ...	12,27,16	13,21,57	14,14,30
III MISCELLANEOUS—			
Commutation of Pensions ...	1,62	4,30	5,85
GRAND TOTAL ..	**18,38,34**	**19,40,67**	**20,12,45**

URE (ii).

and Liabilities.

In thousands of Rupees

	On 1st July 1926 based on the actuals of 1927-28	On 1st July 1929 based on the Revised estimate of 1928-29	On 1st July 1930 based on the Budget estimate of 1929-30
LIABILITIES.			
i. Permanent Debt—			
4% Mysore State Loan of 1906-07 ...	8	7	7
5½% Conversion Loan of 1919-20 ..	8,80	8,80	8,80
Mysore Ry. Sterling Debenture Loan of 1886	1,60,62	1,60,62	1,60,62
Mysore 6¼ per cent State Loan of 1920.	1,19,35	1,19,35	1,19,35
Mysore State Loan 6½%	30,51	30,51	30,51
Do 7%	1,95,56	1,95,56	1,95,56
Shimoga District Board Railway Loan.	3,71	3,71	3,71
Total (i) ..	5,18,63	5,18,62	5,18,62
ii. Unfunded Debt—			
Insurance Fund	95,41	1,04,85	1,15,35
Provident Funds	22,74	26,52	30,97
Savings Bank Deposits	1,73,28	1,78,58	1,95,58
Endowments and other accounts ...	16,42	17,39	18,32
Five-year fixed deposits	9,86	44,65	69,65
Total (ii) ..	3,17,71	3,71,99	4,29,87
iii. Local and other funds	33,86	34,13	31,02
iv. Deposits	32,79	41,30	39,21
v. Reserve Funds—			
Famine Insurance Reserve ...	63,82	63,89	63,89
Reserve for Irrigation Capital Expenditure	3,75	4,03	2,11
Electrical Works Depreciation Fund ...	57,23	58,03	59,64
Sandal Oil Factories do ...	5,41	6,02	5,97
Kolar Gold Field Water-Supply Depreciation Fund	4,51	4,90	5,28
Sinking Fund for Loans	1,67,24	1,94,37	2,21,73
Special Reserve for non-recurring expenditure	6,38	10,51	34
Railway Depreciation Fund ...	2,56	2,56	—1,44
General Reserve for Industrial concerns.	...	22	42
Total v ..	3,10,90	3,44,53	3,57,94
vi Miscellaneous	17,55	17,89	18,07
Total Liabilities ...	12,31,44	13,28,46	13,94,73
Excess of Assets over Liabilities ...	6,06,90	6,12,21*	6,17,72*
GRAND TOTAL ...	**18,38,34**	**19,40,67**	**20,12,45**

* Includes also interest on Mysore Railway Sterling Loan Sinking Fund Investment closed to Government.

ANNEXURE (iii).

Statement showing the particulars of estimates and grants under 'Miscellaneous' and 'other items' in Revenue and Expenditure Heads.

Budget Head	Provision for 1929-30	Particulars	
			Rs.
Revenue Heads—	Rs.	Sale proceeds of Government	
I Land Revenue ...	11,50,000	Lands	4,00,000
		Pasture Lands	90,000
		Amrai	1,20,000
		Temporary assessment on lands including tank beds ..	1,50,000
		Temporary water rates ..	60,000
		Fines for Takrar Takhtas including assessment on unauthorised cultivation	40,000
		Amount left out in last year's Jamabandi	20,000
		Notice fees Istihar fees Jaftee fees	50,000
		Excess collection	10,000
		Other items including fish contract, receipt from salt pans, tax on lime kilns, royalty on bricks, stones, etc., kumri kandayam, ground rent and sale proceeds of dead trees	2,10,000
			11,50,000
II Forest—			
4 Miscellaneous ...	46,000	This head includes all revenue that cannot be classed under other Heads such as compensation on forest offences, amount realised on account of damage done to Sandal trees, rent for occupation of Forest buildings, sale proceeds of serviceable stores and hire of departmental elephants.	
XIII Miscellaneous other receipts—			
(Mysore Civil Account Code, Vol. I, Appendix III, page 13.)	41,500	This head includes recoveries on account of Law charges other than those in pauper suits, sale proceeds of ivory and elephant tusks and buffalo horns when found outside reserve forests, sale of tiger skins, claws, etc., and Treasure trove and miscellaneous receipts of Economic Conference and Co-operative Departments. The receipts belonging to a department for which there is no head on the receipt side of the accounts will appear under this head.	

ANNEXURE (iii)—contd.

Budget Head	Provision for 1929-30	Particulars	
	Rs.		
XIV Courts of law	6,000	Includes proceeds of immovable property forfeited to Government, the sale proceeds of unserviceable articles of furniture, etc., in the several offices, lapsed amounts of periodical and sundry deposits.	
XVI Police—			
4 Miscellaneous ...	20,000	Includes recovery of cost of Kit articles lost by police officers, of half cost of boots supplied to Police Inspectors and Sub-Inspectors and sale proceeds of old Gazettes and Newspapers.	
XVII Medical—			
4 Miscellaneous ...	6,000	Includes (1) unclaimed deposits, (2) X-Ray photo charges recovered, (3) sale proceeds of grass and unserviceable articles, (4) fees for impounding cattle, (5) refund of scholarships and fees for chemical analysis.	
XX Education—			Rs.
4 Miscellaneous ...	8,000	Recoveries of service payments ...	1,200
		Do from R. Ramachandra Rao towards scholarship dues towards court decree ...	1,500
		Sale proceeds of Materials prepared in Central Adikarnataka Institute, Mysore	2,500
		Sale proceeds of articles of Instruction classes	1,200
		Amount realised out of sale of old materials	800
		Sale of mangoes, night soil, grass, etc., in the compound of schools...	200
		Receipts for issue of duplicate certificates	200
		Revaluation of answer papers ...	200
		Breakage and loss of science apparatus	100
		Fines	100
			8,000
XXI Agriculture—			
3 Amrut Mahal receipts miscellaneous.	9,000	Temporary cultivation ...	7,400
		Missing cattle	1.100
		Hides	250
		Interest and Fines	250
			9,000

ANNEXURE (iii)—contd.

Budget Head	Provision for 1929-30	Particulars	
	Rs.		Rs.
4 Miscellaneous ...	5,000	Sale proceeds of agricultural calendars and other miscellaneous receipts.	
XXII Industries and Commerce—			
2 Miscellaneous receipts.	11,500	Meeting fees, patents and designs fees, Broadcast license fees, and other miscellaneous receipts.	
XXIII Army—			
5 Miscellaneous ...	4,000	Lease of grazing, sale of grass, etc.	500
		Sale of night soil, etc. ...	2,020
		Recovery of service payments ...	600
		Sale of dead trees	40
		Do old articles	100
		Equitation fees	250
		Sale of unserviceable articles ...	320
		Pay of Barr Sepoys of previous years	170
			4,000
XXV Krishnarajasagara Hydro Electric and Irrigation Works, net receipts—			
Gross receipis—		Laboratory receipts ...	1,000
Power.			
S. K. Section.	6,000	Arrears of wages credited to Revenue, penalty from contractors and supervision charges on materials	
C. Miscellaneous.		sold	5,000
			6,000
Bangalore Section—			
Miscellaneous ...	2,000	Represents supervision charge on materials sold, unpaid wages, unspent balance of deposit works, re-rating fees and value of surplus materials.	

ANNEXURE (iii)--concld.

Budget Head	Provision for 1929-30	Particulars	
	Rs..		
Mysore City Section—			
Miscellaneous ...	2,000	Represents supervision charge on materials sold, unpaid wages, unspent balance of deposit of works, re-rating fees and value of surplus materials.	
2. Working Expenses—			
IV Distribution (*a*) S. K. Section, Miscellaneous other items.	3,500	Includes Sanitation and water-supply charges and allowance to Sub-Assistant Surgeon.	
Bangalore Section—			
Miscellaneous other items.	9,000	Represents charges on account of Water-supply, Tools and Plant, Sanitation, Police establishment and the purchase of "National Cash Registers."	
Mysore City Section—			
Miscellaneous ...	5,018	Includes charges on account of Police establishment and Tools and Plant.	
XXVII Iron Works—W.E.			
Miscellaneous ..	1,93,400	Consultation fees	12,000
		Stationery and Printing and Library charges	24,300
		Blast Furnace stores, and other supplies	6,000
		Retorts	4,800
		Chemical plant	2,400
		Electricity and water-supply ..	3,600
		Boilers and machine shop supplies	6,000
		Yard and Civil Engineering including coal	13,500
		Alcohol plant	3,600
		Tar Plant	1,500
		Foundry stores and supplies ..	90,700
		Interest on additional Working Capital	25,000
			1,93,400
XXIX Industrial Works Profits.—			
Mysore Arts and Crafts Work-shop and Industrial depot.	3,000	Represents commission on consignment articles sold.	
Central Industrial Work-shop.	2,300	Represents hire on machinery and all other receipts than by the sale of manufacturing products.	

ANNEXURE (iii)—concld.

Budget Head	Provision for 1229-30	Particulars
	Rs.	
Soap Factory ..	4,500	Represents receipts by the sale of liquid soap, perfumes, etc., as also by the sale of, empty barrels, drums and tins.
Expenditure Heads—		
12 General administration 3 Legislative Council and Representative Assembly, etc.		
Legislative Council miscellaneous.	3,000	Lunch and other charges.
Representative Assembly miscellaneous.	15,000	Includes lunch charges, conveyance and boarding charges of press representatives rents of buildings, construction of sheds conservancy arrangements, lighting and hiring of furniture and other sundry charges.
17 Miscellaneous 4 miscellaneous.	5,000	Includes provision for the grant of Rs. 2,500 to the Civic and Social Progress Association, etc., and other miscellaneous items.

ANNEXURE (v) (ii).

G. O. No. Fl. 2578-667—G. F. 65-28-1, dated 29th September 1928.

Road Fund.

Directs the constitution of a —'to provide adequate funds for carrying on ordered programme of road maintenance and development.

READ—

Letter No. 4483, dated 5th July 1928, from the Revenue Commissioner in Mysore, forwarding a statement showing the amount realised by the sale of the right to collect tolls on Provincial roads for the year 1928-29 and suggesting that the proceeds may be earmarked for the maintenance of roads of the locality, as far as possible, wherein the relative toll-gates are situated.

ORDER NO. FL. 2578-667—G. F. 65-28-1, DATED 29TH SEPTEMBER 1928.

The question of improving the financial arrangements for the upkeep and repairs of all Provincial roads in the State so as to enable them to stand the present day traffic, has been under the consideration of Government for some time.

It has been represented to Government that the existing annual allotments aggregating Rs. 5,16,000 for 2,122 miles of Provincial roads are very inadequate for their maintenance, having regard to the present cost of labour and prices of materials and that it is not possible to recoat even one furlong in a mile in a year without supplementary grants being given to the department.

The existing arrangement of supplementing the annual allotment with additional grant for special repairs has not been found to be satisfactory, as the latter would vary with the exigencies of General Finance and the Public Works Department is not thus assured of adequate funds to undertake a continuous programme of special repairs. The rapid development of motor transport throughout the State has aggravated these difficulties. To restore the roads to proper condition, it is estimated that an aggregate amount of Rs. 10 lakhs is additionally required for special repairs during the next three years.

2. In view of these considerations, Government are pleased to constitute a Road Fund and to sanction the following scheme, calculated to provide adequate funds for an ordered programme of road maintenance and development.

3. The main features of the scheme are :—

(i) The realisations from tolls and the fees levied on motor transport will be definitely earmarked for expenditure on maintenance of roads (including bridges) and these receipts will be supplemented by suitable grants from general revenues so as to assure the Public Works Department with a minimum annual grant for expenditure on all works of communications—(Roads and Bridges)—Original and Repairs.

(ii) The earmarked revenues as well as the Government grant will be credited to the Road Fund to which the amount actually spent on communications during the year will be debited.

(iii) The grant unspent in a year will not lapse but will be available for expenditure in future years.

(iv) The Public Works Department will be assured of a definite annual grant for a period of three years to enable it to draw up a programme of works and carry it out with the certainty of completing it.

(v) A committee will be formed in each District to suggest to the Public Works Departments, what works should be taken up for attention each year and also to communicate its observations to the Departmental Officers as to whether the works have been properly executed.

(vi) Two separate Major Heads will be opened in the Budget and Accounts, one on the Revenue side for showing all items of receipts which should be appropriated for expenditure on communications, and the other on the expenditure side for showing all charges on communications (both original and repairs).

4. The following changes in the classification of heads will be introduced in the Revised Estimates and Accounts of the current year :—

(1) A new head " XIX 'A' Communications " will be opened on the receipt side with the following minor heads :—

(*a*) Tolls on Bridges and Roads.

(*b*) Motor License fees (includings Registration fees, Drivers' License fees, Conductors' License fees and fees for the issue of permits under Rule 30 of the Motor Vehicle Rules).

(*c*) License fees for possession and transport of petrol.

(*d*) Fees for issue of Brake Certificates.

(*e*) Staging Bungalow fees.

(2) The new Major Head " 23 ACommunications " will comprise the following minor heads :—

I. ROADS.

(*a*) Original Works	Major	Minor
(*b*) Repairs	Ordinary	Special

II. BRIDGES.

(*a*) Original Works	Major	Minor
(*b*) Repairs	Ordinary	Special

III. ESTABLISHMENT.

IV. Tools and Plant.

V. Travellers' Bungalows.

VI. Hill Stations.

VII. Road Fund.

5. The aggregate amount allowed in the current year's budget for the different purposes, to be brought under the new head " Communications " is as under :—

Communications.

			Rs.
Original Major Works	...	...	1,44,000
Do Minor Works	...	...	19,000
Repairs Ordinary	..	...	5,16,400
Do Special	...	...	1,51,600
Travellers' Bungalows and Hill Stations		...	56,800
	Total	...	8,67,800

It is stated that a sum of Rs. 3¼ lakhs is required annually for a period of three years for carrying out urgent works on account of special repairs. Against this demand, there is a provision of Rs. 1½ lakhs in the current year's budget. About Rs. 2 lakhs more will have to be given to Public Works Department annually for undertaking the programme of special works. An annual minimum grant of Rs. 11 lakhs will accordingly be allotted to the Public Works Department for a period of three years (including the current year) for all works coming under the new Major Head Communications excluding the expenditure on Establishment, Tools and Plant which will be transferred on a proportionate basis from head of " 24 Civil Works."

6. To make up this minimum grant of Rs. 11 lakhs during the current year, a schedule of demand will, in due course, be placed before the Legislative Council for a supply of Rs. 2,32,200.

7. Separate orders will issue regarding the constitution of District Committees, the personnel and the functions to be exercised by them.

ANNEXURE (v) (2).

G. O. No. Fl. 7714-63--G. F. 149-28-1, dated 19th April 1929.

Grant for Irrigation Works.

Fixing the Government — at ten lakhs per annum from 1929-30.

READ—

Government Order No. 734-741—Camp Mysore, dated 17th October 1926, sanctioning a triennial programme of construction and restoration of Irrigation Works.

ORDER NO. FL. 7714-63—G. F. 149-28-1, DATED 19TH APRIL 1929.

In the order read above, Government laid down a policy of continuous attention to the construction of Irrigation Works and the restoration of tanks in the State and sanctioned a programme of their execution.

2. The annual outlay during the past three years has risen from Rs. 6½ lakhs to Rs. 10 lakhs. The budget grant during the current year for Irrigation Works charged directly or indirectly to Revenue is 14 lakhs financed from the following sources :—

		Rs.	
1.	Grant from current revenue ...	4	lakhs.
2.	Interest on Famine Insurance Fund ...	3	,,
3.	Irrigation Capital Reserve ...	1 1/3	,,
4.	Contribution from Irrigation Cess Fund...	5 2/3	,,
	Total ...	14 lakhs	

3. Irrigation Works have not received in the past as much attention as they deserve and Government consider that the existing financial arrangements for their construction should be improved.

4. Restoration of tanks has proved a perennial problem. Repairs of old Irrigation Works are heavily in arrears. The cost of restoration of all old tanks in the State is not likely to be less than a crore and half of rupees. Even if the programme of restoration of these works is spread over a period of 25 to 30 years, the annual demand on this accounts alone cannot be less than Rs. 5 or 6 lakhs.

5. In addition to the requirements of restoration, there are demands on account of construction of new works and the incidental establishment charges. Irrigation Works are mostly protective in their character and what return they

can yield is often deferred and it is also less than the interest on Capital invested on them. It is therefore desirable to increase the contribution from General Revenues for meeting wholly or partially the cost of large Irrigation Works which cannot satisfy the conditions of productive works.

6. Government accordingly direct that the annual grant to be alloted from General Revenues towards Irrigation Works including the interest income on the Famine Insurance Fund be fixed at a minimum of Rs. 10 lakhs with effect from the next official year.

7. The requirements on account of restoration works and establishment charges shall be the first charge on this annual grant, and the balance if any after meeting these demands together with the contributions from the Irrigation Capital Reserve, the Irrigation Cess Fund and other sources will be utilised on new works of construction. The grant unspent in a year will not lapse but will be funded and will be available for expenditure on Irrigation Works in future years.

8. The acreage contributions now classified as receipts under XIII Miscellaneous will also be shown as a lumpsum grant under 23, Irrigation Works charged to revenue, for being utilised on the works for which they are intended.

9. Outlay on Irrigation Works including ordinary maintenance and repairs are now financed from the following sources:—

1. Capital Funds.
2. Current Revenues.
3. Reserves formed from past surpluses.
4. Contributions from raiyats and other sources.
5. Irrigation Cess Fund.
6. Loans and advances, recoverable from raiyats.

10. Government consider it desirable to present, as one whole, all operations in regard to Irrigation Works. And for this purpose there should be a separate appendix to the General Budget dealing with all Irrigation Works including those financed from borrowed funds and also from Loans and Advances made by Government.

11. The Irrigation appendix to the General Budget will consist of the following parts:—

1. Outlay on Capital Works.
2. Irrigation Works charged to Revenue.
3. Maintenance works and repairs chargeable to the Irrigation Cess Fund.
4. Works of restoration and maintenance of minor tanks to be undertaken by raiyats but financed from loans and advances from Government in the first instance.

Expenditure on works coming under part (1) will represent the Irrigation Capital Budget under the present arrangement.

Part (2) will replace the present budget under 23, Irrigation Works charged to revenue.

It will contain the following particulars of grants and appropriations :—

Appropriations.

		Rs. a. p.
1.	Original Works (Major)	
2.	Do (Minor)	
3.	Restoration of Minor Tanks	
4.	Repairs	
5.	Establishment	
6.	Tools and Plant	
7.	Suspense	
	Total ...	

Grants.

Lumpsum grant from General Revenues :—

	Irrigation Capital Reserve	
	Irrigation Cess Fund	
	Other contributions	
	Total ...	

The figures under class (3) will follow the Irrigation Cess Fund Budget which will continue to be separately sanctioned in the Revenue Department.

Works under class (4) will comprise those which are financed from the provision made in the Ways and Means budget under loans and advances and the cost of which is ultimately recoverable from raiyats under the Tank Maintenance Rules and Minor Tank Restoration Scheme.

12. The Comptroller is requested to give effect to the foregoing directions of Government in preparing the budget of next year and submit for the approval of Government in consultation with the Chief Engineer and the Revenue Commissoner a set of detailed rules for the guidance of all officers in the preparation of the Budget and Accounts of expenditure on Irrigation Works.

ANNEXURE (v) (3).

G. O. No. D. 6460-2 –S. O. F. 11-28-5, dated Bangalore, 20th December 1928.

Read :—

Correspondence ending with letter No. 2680, dated the 27th October 1928. from the Director of Sandal Oil Factories, submitting proposals for the formation of a special reserve fund for stabilising the sandal revenue.

ORDER NO. D. 6460-2—S. O. F. 11-28-5, DATED BANGALORE, 20TH DECEMBER 1928.

The Director of Sandal Oil Factories is of opinion that in the Sandalwood Oil business, an unbroken succession of prosperous years is not to be counted upon and that bad years may be expected to occur occasionally. He proposes that a portion of the net Sandalwood revenue in favourable years should be set apart to form a Sandalwood Stabilisation Fund, which might be drawn upon in unfavourable years as necessity arises. He suggests that the excess in the realisations of 1927–28 over the revised estimates for the year might be set apart to form the nucleus of such a fund.

The Sandalwood Oil Board, agreeing with the Director, recommended that the demand of the administration on the Sandalwood Oil revenue should be limited to a figure to be fixed from time to time, and that the excess in realisations over that figure should be credited to the Special Reserve.

Government consider that this proposal is in the instrest of General finance and also of the orderly financial working of the Sandal Oil Factories. They think, however, that it is unnecessary to form a separate fund for Sandalwood stabilisation as the State's Special Reserve can serve the purpose equally well. They direct that in future the convention be adopted of regarding the excess over the last five years' average net revenue from the factories as not available for the ordinary recurring expenditure of the administration and of crediting such excess to the Special Reserve.

This order will come into effect from the current year